

15-1189 IMPRESSION PRODUCTS, INC. V. LEXMARK INTERNATIONAL, INC.

DECISION BELOW: 816 F.3d 721

LOWER COURT CASE NUMBER: 2014-1617, 2014-1619

QUESTION PRESENTED:

The "patent exhaustion doctrine"-also known as the "first sale doctrine"-holds that "the initial authorized sale of a patented item terminates all patent rights to that item." *Quanta Computer, Inc. v. LG Electronics, Inc.*, 553 U.S. 617, 625 (2008). This case presents two questions of great practical significance regarding the scope of this doctrine on which the *en banc* Federal Circuit divided below:

1. Whether a "conditional sale" that transfers title to the patented item while specifying post-sale restrictions on the article's use or resale avoids application of the patent exhaustion doctrine and therefore permits the enforcement of such post-sale restrictions through the patent law's infringement remedy.

2. Whether, in light of this Court's holding in *Kirtsaeng v. John Wiley & Sons, Inc.*, 133 S. Ct. 1351, 1363 (2013), that the common law doctrine barring restraints on alienation that is the basis of exhaustion doctrine "makes no geographical distinctions," a sale of a patented article-authorized by the U.S. patentee-that takes place outside of the United States exhausts the U.S. patent rights in that article.

CERT. GRANTED 12/2/2016